

Memorandum

435.1060

To: Audit Review (RN)

Date: April 5, 1965

From: Tax Counsel (RHA)

Subject: X-----

Reference is made to your memo of March 16 regarding the application of tax to charges for mixing Bentonite with water to form a gelatinous mass so that it can be readily spread on fire.

We are of the opinion that this constitutes processing dry Bentonite to form a useable product and is taxable under Ruling 15 and Section 6006 of the Sales and Use Tax Law.

There is a change in the physical properties comparable to making cement or freezing water to make ice. The end product is something physically different brought about by mixing a solid and a liquid.

RHA;o'b [lb]